Sanitized Copy Approved for Release 2011/06/14 : CIA-RDP80-00809A000600140207-7 CLASSIFICATION SECURITY TRANSPORMATE CRET US OFFICIALS ONLY CENTRAL INTELLIGENCE AGENCY REPORT CD NO. COUNTRY Rumania DATE OF INFORMATION 1945 - 1950 Economic - Industry, agriculture, foreign trade SUBJECT DATE DIST. 1 Dec 1951 NO. OF PAGES SUPPLEMENT TO REPORT NO. THIS IS UNEVALUATED INFORMATION ECONOMIC INFORMATION ON RUMANIA 50X1-HUM PETROLEUM INDUSTRY 50X1-HUM (Ploesti) The former Vega refinery at Ploesti, originally Duilt with British, .
American, Dutch, and Belgian capital, is located on the railroad line to Buzau about 1.5 kilometers from the edge of Ploesti and has 5,000 to 6,000 workers. The former Romana-American refinery is located on the railroad line to Buzau about 3 kilometers from the edge of Ploesti and has 10,000 workers. The former Concordia refinery is located on the railroad line to Stalin town about half a kilometer from the edge of Plocati and employs 4,000 to 5,000 workers. The former Unirea refinery, a combination of small companies of the Maniu group, is located on the railroad line to Valenii-de-Munte, about 1.5 kilometers from the edge of Ploesti. The former Astra Romana refinery is located on the railroad line to Buchsrest, about 2 kilometers from the edge of Ploesti. The former Muntenia refinery is about 18 kilometers from Buzau.

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Each refinery has its own field at which exploratory and productive drilling is carried on. Each also has its own pipeline which brings the crude to the refinery. Along all the roads leading north from Ploesti are 20-centimeter pipes which belong to the refineries. The wells are 3-70 kilometers from the refineries to which they belong. The pipes are changed every 3 or 4 years because of wear. There are pumping stations along the pipelines, varying in distance according to the character of the terrain. On up slopes, the distance between stations is 4 or 5 kilometers, on level ground about 20 kilometers, and on down slopes from 50 to 60 kilometers.

All the refineries have a Soviet general manager and other Soviet personnel. The number of the Soviet personnel is increasing daily. The workers are all Rumanian; many of the farmers whose land has been taken have found employment at the refineries.

Men specially qualified in petroleum refining are kept on the job even if they are not devoted Communists. At least they will be kept until the Soviets can train personnel who will be trustworthy.

In all the refineries there are three shifts. In the fields, there is only one holiday, May Day.

The refinery products are all sent to the ports of Odessa or Constanta. Shipments to the USSR have been intensified lately by means of long trains of tank cars.

New constructions are being built everywhere in the petroleum industry -- schools for illiterates and for trades, engineering schools, houses, athletic fields, and cooperatives.

The former Muntenia oil company is now known as Sovrompetrol. The designation Sovrompetrol will be given to all nationalized refineries. For some time the tendency has been to decentralize the refineries. Since 1944, the construction of pilot refineries has been in progress outside the Ploesti zone. The source was employed for 2 years at some of these plants. Additional building is either contemplated or in progress.

Sovrompetrol has 160 wells, of which 42 yield seven or eight carloads a day. The wells are equipped with 250-horsepower American motors. The industrial section has about 3,000 workers and 200 office employees. The general manager is Vasile Nitsa, a former Rumanian workman, who is an ardent Communist, but is incompetent, and is hated by everyone. The technical director is Engineer Bercaro, a capable Rumanian, who is well liked. The assistant technical director is Engineer Petcova, a capable Rumanian, also well liked. The construction engineer is Jan Erzal, a competent Czech, who is well liked. There are three Soviet engineers working with the technical director. One of them is said to be named Khrakmaul. The workers are almost all Rumanian with a few Hungafians and three Italians. The field workers are divided into three shifts, and here also the only holiday is May Day.

OTHER INDUSTRIES, BY CITY

Ploesti.

The "Concordia" plant at Ploesti is composed of nine buildings of various size and is surrounded completely by a 3-meter-high cement wall. The plant is located east of the Ploesti station and is connected by a spur to the Ploesti-Buzau railroad line. About 4,500 workers are employed in three 8-hour shifts.

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tools. "Concordia" also repairs tank cars for inflammables and gasoline tanks.

The products include spherical bearings, engines for steamboats (tugs), steam boilers, fuel tanks, pneumatic hammers, cabs for bridge cranes, tools for the petroleum industry (drills), Canadian pumps, and cutting tools for machine

The nine buildings and their uses are:

- 1. Forge shop
- 2. Machine-tool shop: lathes, milling machines, planers, and other heavy machines
 - 3. Steel foundry
 - 4. Iron foundry
- 5. Bearing shop: Canadian pumps, cabs for bridge crames, cutting tools for machine tools, ship engines
 - 6. Pneumatic hammers, petroleum equipment
 - 7. Steam boilers, building and repair of tank cars, repair of gas tanks
 - 8. Compressor station
 - 9. Canteen

The administrative office is also in building No 5. The source's informant worked at "Concordia" for about a month in August 1948 and cannot give any production figures. During the period that he worked there the entire production of ship engines, steam boilers, and cabs for bridge cranes was sent to Moscow or Kiev. The packing cases all had the address written in Russian.

The internal and external guard was performed by army personnel. There were sentry boxes at the corners of the surrounding walls.

NOTE: During the last war, "Concordia" made artillery pieces. All the machinery for making guns is still at the plant and it kept in good condition.

Bucharest Area

The "23 August" factory (formerly Malaxa) in Bucharest produces locomotives, trailing cars for streetcar trains, rail motor cars, and equipment for the petroleum industry. There are 6,000 to 7,000 employees.

The "23 August" railroad car factory is located 2 kilometers south of Colentina, a Bucharest suburb. The factory area is about one square kilometer; there are 5,000 or 6,000 employees. The factory is equipped with four high smokestacks and has a carpentry shop, a model shop, offices, and repair shops for steam and diesel locomotives. The factory also produces ball bearings. The railroad cars, built for the USSR under war reparations, all have trucks which are adaptable to different track gauges. There is a locomotive park with 50 to 60 locomotives (steam and diesel) located outside the factory area and directly east. Near the park is an electric power plant run by two diesel motors which develop over 1,000 horsepower.

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At Bucharest, a distributing station (with diesel motors) and transformers is located at some indefinite place west of the city and north of the

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The "Apaca" factory in Bucharest is the largest installation in Rumania making military clothing. This factory is located in the Cotroceni district.

no additional information.

The "Apaca" factory, on the western edge of Bucharest, is working at full speed on military clothing.

Sovromconstructia is a joint Soviet-Rumanian enterprise under the Ministry of Constructions. The important officials are:

Director-General: Frolov, a Soviet national

Dambovita River.

Assistant Directors: Curceski, a Soviet national; Pisam, a Rumanian

The headquarters of the Director-General are in Bucharest at via Atene, 3. The enterprise handles 65 percent of the public works and road building in Rumania. It is divided into various sections which are designated by numbers and into groups which have offices in the main cities of Rumania.

Although this is a mixed Soviet and Rumanian enterprise, all the important offices are held by Soviet personnel and the activities are managed by the Soviets.

The equipment of the enterprise is limited and rather old. The principal machinery (scrapers, crushers, Decauville lines, compressors, excavators, loaders, etc.) was formerly owned by small independent firms which were assorbed by Sovromconstructia.

Section 1 is located at strada Coltei, 33. The director is Dobene, a Soviet national, and the technical director is Pragher. This section is doing work for the Ministry of the Interior.

Floresti

There is an electric power plant at Floresti in which the motors are operated by methane gas, according to the source.

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The Steagul Rosu Factory (formerly Astra-Vagon) is located on the highway to Timisul about 3 kilometers from Stalin town. The factory grounds have an area of about 2 square kilometers. The manager is a former Rumanian machinist who has about 9,000 workers under him. The factory produces 40-ton freight and tank cars equipped with trucks which can be adapted to different track gauges; the daily production for both types of cars is four or five units. Light artillery, caliber unknown, was also being made in 1949, as were shells of unknown caliber. A Soviet commission makes sure that the program goes according to schedule and that the products are up to standard.

Sovromtractor (formerly IAR) is located on the highway to Bod, about 5 kilometers from Stalin town. The factory employs 5,000 to 6,000 workers and produces IAR aircraft and IAR-22 tractors. Tractor production in 1949 was 2,011 units.

The Metrov Ammunition Factory is located on the highway to Timisul about one kilometer from Stalin town. There are about 2,500 workers, mostly women. The factory makes ammunition for small-caliber weapons and for artillery and also electric wire.

The Temelia Cement Works is located on the highway to Timisul about 3 kilometers from Stalin town. The installation is surrounded by concrete stringers on concrete bases. About 1,000 workers are employed, and the production, about 50 tons per day, is sent almost entirely to the USSR. The raw material is taken from the northern slope of Munte Tampa.

The former Voina plant used to make sporting guns and ammunition but now works exclusively for the armed forces. The plant is located on the highway to Teliu about 3 kilometers from Stalin town. It has about 1,000 employees.

The SIL locomotive repair shop is located on the highway to Sinaia about 500 meters from the Stalin town railroad station. The plant is equipped with a foundry and makes boilers for locomotives. There are about 700 workers.

The Partisanul Rosul textile mill (formerly Telman) is located in the southern outskirts of Stalin town on the slopes of Munte Tamba. The mill employs between 4,000 and 5,000 workers, mostly women, and produces all types of textiles, mostly for the Rumanian Army.

The Aurora A tannery is located near the Steagul Rosu factory and employs about 100 workers. The hides come mostly from America, 170 carloads in 1949, and after tanning are sent almost entirely to the USSR.

The Aurora B tannery is located in the center of Stalin town on the former via Vanator and employs 70 workers. Most of the tanned hides are sent to the USSR.

The Aurora C Shoe Factory is attached to the Aurora B tannery, employs 50 workers, and sends most of its production to the USSR.

The "Tractor" plant at Brasov /Sovromtractor at Stalin town/ (formerly IAR) makes farm tractors and employs 5,000 or 6,000 workers. From 1946 to January 1950, the plant produced 2,500 tractors. The source heard that by the end of 1952 the plant will have produced 50,000 (?) tractors.

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The Reconstruita Cellulose Factory is located in the Maratei district of Piatra-Resmt. This old factory, undamaged by war, produces pressed wallboard. It has 1,200-1,300 employees.

The Comuna de Paria Paper Mill is located in the Precista quarter of Piatra-Reamt. This is one of the most modern paper mills in Rumania. The mill produces paper of various types and thickness, cardboard, and a special electrical insulator called "Prespan." It has 1,000-1,200 workers.

The Steama Rosie Paper and Cellulose Mill is located on the northern edge of Piatra-Neamt. The mill produces cellulose, cardboard, banknote paper, and other paper of various types and thickness. It has 1,200-1,300 workers.

The "ll Tunie" furniture factory is located at Roznov, south of Piatra-Neamt. The factory is opposite the railroad station. This installation is under the direct control of Sovromlemn (Rumanian-Soviet Lumber Company). The director is Vasile Bucataro, 32 years old, an ardent Communist. He is a former carpenter and is incompetent. The factory makes furniture for offices, schools, and army camps, orange and lemon crates, fir tables of different sizes for export, wooden parts for barracks with minimum dimensions 40 x 12 meters and maximum dimensions 60 x 12 meters. During the war, the factory also made ammunition cases. There are two shifts: (1) 0630 to 0630, with breaks from 0800 to 0830 and 1230 to 1330; and, (2) 1700 to 0230, with a break from 2300 to 0030.

<u>Iasi</u>

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There is a machine shop for the repair of internal-combustion engines at the edge of the Tatarati section of lasi. The shop repairs aircraft engines for the nearby airfield. It is fully equipped and employs about 3,000.

The textile mill at Socola has been enlarged. British machinery has been imported, and on 25 April five British specialists were still installing the equipment. The new buildings will be dedicated on 1 May 1950. The mill employs about 1,200, mostly women, and produces material for the Rumanian Armed Forces.

The last heat-power plant is located near the railroad station. The equipment includes one 1,200-horsepower diesel, two 3,000- to 4,000 horsepower diesels, and one 600-horsepower diesel. The city carbara is located nearby.

The Iasi aqueduct is located outside the Copou gate. Water is brought by pipes from Timisesti, a mountain town north of Iasi.

Galati

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The "Fusul" notton mill on via Republicei in Galati is surrounded by a brick wall topped with wire strung on posts. The mill receives most of its raw cotton from the USSR and employs Thout 1,000, mostly women.

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"Filimon Serbo" (formerly "Atlantic") cotton mill on via Traian in Galati employs about 1,000, mostly women. Most of the raw cotton comes from the USSR.

m that the following

The source knows that the following industries were located in Galati: "Fusul" cotton mill on the former bulevard Carol; "Delca" cotton mill at an unknown address, and a tannery on Piata Braila.

Bacau

The "Metallurgica" Plant (formerly "Davidovici") at Bacau was being enlarged in March 1950. The plant produces parts for farm tractors and employs about 600 workmen.

The source states that at Bacau the following establishments are functioning: a tannery and shoe factory, four sawmills, and a ready-to-wear clothing factory. He has no additional information except rumors that all the lumber is sent to the USSR.

RURAL COOPERATIVES AND COLLECTIVIZATION

The farmer can buy goods from rural cooperatives either for cash or by payment in products. The prices at the cooperatives were excessive, as shown in the following: The cooperative paid the farmer 5 lei for an egg and resold it at 20 to 22 lei; paid 4 lei per kilogram for corn and sold it (only as corn meal) at 65 lei per kilogram; paid 6 or 7 lei per kilogram for wheat and sold it (only ground) at 70 to 90 lei per kilogram. The farmers said that now the state, not the landowners, was exploiting them. The women are now openly expressing their discontent.

It will be difficult to institute the kolkhoz by force, notwithstanding Ana Pauker's statement: "If I don't succeed in imposing the kolkhoz, I'll kill myself." The authorities employ the term "collective working of the land" in place of "kolkhoz" in order not to scare the Rumanian peasant, who is very jealous of his land. The government has sent commissions to praise the kolkhoz system. The arguments set forth by the commissions have been defeated by the logic of the farmers, who show how much they would lose in adopting this system. One farmer said that his wife would break his head if he ever signed up for collective working of land. The kolkhoz has not yet been imposed; the competent organs are only feeling out the intentions of the majority of the farmers.

it will be very difficult to introduce collectivization in the form of the kolkhoz into Rumania because of the peasants' resistance to such a system. Many lectment who attempted to show the benefits of collectivization have been mistreated by the peasants.

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In the former cavalry camp in Iasi, there are seven or eight brick buildings, about 100 x 12 meters, surrounded by a 1.5-meter-high wire fence. The center is now used to stable livestock (cattle and pigs) to be sent to the USSR. The management is composed of Soviet citizens. The livestock is brought to the center by Rumanian farmers at the orders of the Rumanian government. Cattle are collected twice a year, pigs once. The Rumanian farmers deliver only the thinnest enimals, which they purposely neglect to feed, to the center. Since all animals must arrive in the USSR in good health and fat, the Rumanian government imposes a levy of fodder on the Rumanian farmers to fatten the livestock. The farmers mix manure with the feed and wet it so that they will have less pure hay to deliver. To store the hay more easily, the Soviets bale it. The excessive moisture makes the hay ferment and mold, and often large amounts have to be thrown away.

Two slaughterhouses, one in Iasi and the other in Socola, prepare beef, pork, and poultry for shipment to the USSR. The meat is loaded in refrigerator cars at Socola. The live animals and poultry arrive by railroad from all parts of Rumania.

TRADE

The export of Grade One and Grade Two building lumber during 1949 was 1,600,000 cubic meters.

Finished technical products and machinery from the US were imported in greater quantities via Switzerland. It seems that some firms in Switzerland have found a way to purchase machinery and equipment and have it reach Rumania.

Shoes, textiles, cotton goods, and Praha auto trucks were imported from Czechoslovakia.

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